

**THE EFFECTS OF WORKING CAPITAL MANAGEMENT ON  
PROFITABILITY OF THE MANUFACTURE COMPANY IN INDONESIA  
PERIOD 2016-2017**



**RESEARCH PAPER**

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**APPROVAL PAGE**

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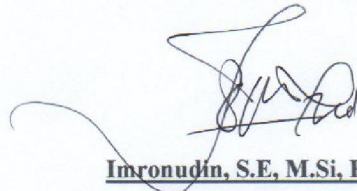
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THE MANUFACTURE COMPANY IN INDONESIA PERIOD 2016-2017**

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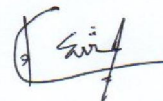
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Dewi Fitriasari

## **MOTTO**

“Dan janganlah kamu berputus asa dari rahmat Allah. Sesungguhnya tiada berputus dari rahmat Allah melainkan orang orang yang kufur” (QS Yusuf : 87)

“Maka sesungguhnya bersama kesulitan itu ada kemudahan” (QS. Al Insyirah : 5).

Kesabaran adalah kendaraan yang tidak akan tergelincir, dan sikap menerima adalah pedang yang tidak akan tumpul. (Ali bin Abi Thalib)

Many of life's failures are people who did not realize how close they were to success when they gave up. (Thomas A. Edison)

Live as if you were to die tomorrow. Learn as if you were to live forever.

(Mahatma Gandhi)

Jangan pernah menyerah bila belum mencoba, satu kegagalan tidak akan bisa menghalangi untuk menuju keberhasilan.

## DEDICATION

*Bismillahirrohmaanirrohiim*

I present my research paper with full of love for:

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## ABSTRAK

Untuk memaksimalkan profit perusahaan dapat memanfaatkan dana modal kerja untuk membantu aktifitas perusahaan. Sumber dana dapat berasal dari modal asing (utang) dan modal sendiri (saham). Hal-hal yang perlu dipertimbangkan dalam memilih sumber dana terkait dengan tingkat profitabilitas yang ingin dicapai perusahaan. Perusahaan yang tidak memiliki modal kerja yang cukup akan merasa kesulitan untuk menjalankan kegiatannya, atau akan mandek operasi. Tanpa modal kerja yang memadai, perusahaan akan kehilangan peluang untuk meningkatkan kuantitas dan kualitas produk yang dihasilkan. Jika itu terjadi, itu akan ditinggalkan oleh pelanggannya, dan menderita kerugian.

Penelitian ini untuk menguji pengaruh manajemen modal kerja dan profitabilitas yang diproksikan dengan Return On Asset (ROA) juga terhadap variabel lain seperti ukuran perusahaan, tingkat utang, pertumbuhan penjualan, Produk Domestik Bruto tahunan dengan menggunakan analisis regresi berganda. Total sampel yang didapatkan adalah 276 perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia selama periode 2016-2017 tetapi jumlah ini berkurang karena ada beberapa perusahaan yang tidak memenuhi uji asumsi klasik. Hasil penelitian menunjukkan bahwa Siklus Konversi Kas (CCC), pertumbuhan penjualan, dan ukuran perusahaan berpengaruh positif dan signifikan terhadap ROA. Sementara itu tingkat utang dan pertumbuhan PDB tahunan meskipun menunjukkan hasil yang juga signifikan tetapi memiliki efek negatif.

**Kata kunci:** Return On Asstes (ROA), Siklus Konversi Kas (CCC), pertumbuhan penjualan, ukuran perusahaan, tingkat utang, Produk Domestik Bruto tahunan.

## ABSTRACT

To maximize profits the company can utilize working capital funds to help the company's activities. Source of funds can come from foreign capital (debt) and own capital (shares). Things to consider in choosing the source of funds is related to the level of profitability to be achieved company. Companies that do not have sufficient working capital will find it difficult to carry out their activities, or will stagnate operations. Without sufficient working capital, a company will lose the opportunity to increase the quantity and quality of the resulting product. If it happens, it will be abandoned by its customers, and suffer losses.

This research is to examine the effects of working capital management and profitability which is proxied with Return On Assets (ROA) also to the other variables such as company size, debt level, sales growth, annual Gross Domestic Product by using multiple regression analysis. The total sample obtained was 276 of manufacture companies listed on the Indonesia Stock Exchange during the 2016-2017 period but this number was reduced because there were some companies that did not meet the classical assumption test. The result show that Cash Conversion Cycle, sales growth, and company size have positive and significant effect on ROA. Meanwhile debt level and annual GDP growth although showing significant results but has a negative effect.

**Keywords:** Return On Assets (ROA), Cash Conversion Cycle (CCC), sales growth, company size, debt level, annual Gross Domestic Product.



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The author realizes that the writing of this thesis is still lacking in both writing and presentation. For that all constructive suggestions and criticisms may be useful for further research. Hopefully this thesis will be useful for all those who need it and become an early success of the author in the future. Aamiin

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Surakarta, 7 Nopember 2019

The Author,

Dewi Fitriasari

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